

Board of Supervisors
County of San Bernardino

BILL POSTMUS
CHAIRMAN
SUPERVISOR, FIRST DISTRICT



July 26, 2005

Commissioners of the Local Agency Formation Commission
175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490

Dear Commissioners:

On February 26, 2002, the County Board of Supervisors, in response to growing concerns about the stability of numerous Board-governed special district operations under auspices of the County Fire Department, released a request for proposals (RFP) for a financing study of the County Fire Department and its related special district operations. The RFP process resulted in the Board awarding a contract for this study in June 2002 to Emergency Services Consultants, Inc. (ESCi), a national consulting firm specializing in fire, police, and other emergency management services. It took ESCi almost a year to complete the study and formulate its recommendations, which were presented to the Board of Supervisors on May 20, 2003.

The ESCi study, which included a district-by-district financial projection of the County's 32 Board-governed fire districts, forecast an overall \$83 million financial deficit in fire district operations by FY 2010/11 if nothing were done. Among ESCi's basic recommendations was a reorganization of the current County Fire Department for greater management efficiencies and effectiveness and, to some degree, in order to extend the financial solvency of the districts.

Based on the May workshop, the Board directed the County Administrative Office and County Fire Department to pursue a number of actions included in and related to the ESCi report:

1. Develop countywide standard levels of service for the urban, suburban, and rural areas of the County so that current service levels in County unincorporated areas can be evaluated and compared to recognized standard service levels.
2. Fully develop the concept of the "combined district" that would consolidate the governance and administrative functions of the County Fire Department to provide more efficient and effective management, as well as provide more flexibility in allocating financial resources throughout the Department and allow for more ease in constructing revenue alternatives for funding the service levels currently provided.
3. Review the expenditure and revenue assumptions used by ESCi in its study and provide a more "probable case" analysis of the financial health of the fire districts.
4. Explore ways of protecting the fire districts from loss of tax dollars due to annexation of territory by cities.

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5. Examine revenue enhancement opportunities for the fire districts.

A work group was then formed which was comprised of staff from the County Administrative Office, County Fire Department, and County Counsel to respond to the Board's direction. After more than a year of additional work on the project, the work group reported back to the Board in workshop setting on November 16, 2004, and again on February 1, 2005, to present its findings and recommendations. In terms of the Board's direction to develop a new organizational concept for the County Fire Department to improve efficiencies and effectiveness, the work group presented three options for Board consideration.

Option A: Reorganization to essentially consolidate 31 separate fire district operations into 3 regional fire protection districts (Valley, Mountain, and Desert), with retention of County Service Area 70 for administration of the County Fire Department.

Option B: Reorganization to essentially consolidate the 32 separate fire district operations into one countywide fire protection district, which would include establishment of 4 improvement districts (Valley, Mountain, North Desert, and South Desert). The administrative functions of the Department would be provided as a function of the new consolidated district.

Option C: Reorganization to essentially disband the current special district delivery system of the County Fire Department and instead provide these services from the County general fund, similar to the Sheriff's Department.

Following a discussion of the advantages and disadvantages of each of these options, the Board of Supervisors on February 1, 2005, directed staff to prepare an application to the Local Agency Formation Commission to implement a reorganization of the County Fire Department as described in **Option B** above. The application, which is comprised of the following sections and pages inclusive of maps and attachments, has been prepared with this objective in mind. The Board of Supervisors formally approved the application on July 26, 2005.

The Board of Supervisors, acting in its capacity as the governing body of both the County and of all Board-governed special districts having fire and emergency medical powers, believes that this application for reorganization supports the legislative intent cited in the Cortese-Knox-Hertzbert Local Government Reorganization Act of 2000 by encouraging orderly growth and development, as well as extending efficient services through a single agency that can best provide fire and emergency medical service levels throughout the unincorporated parts of the County.

Sincerely,



BILL POSTMUS, Chairman
Board of Supervisors

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